New Procurement Round 2008/09
Regional Briefing Events
August 2007
Presented to
By

Welcome
AGENDA

01 Introduction to LSC commissioning
02 Introduction to LSC funding
03 Introducing the LSC’s ESF funded activities in the 07-13 programme
04 Procurement - Setting the Scene, The Process and Timescales
05 LSC’s e-Tendering portal supported by Bravo Solution
06 Q & A session
Introduction

Introduction to LSC commissioning
LSC Commissioning

• Triggers for Open & Competitive Tendering (OCT) for mainstream funds
  – Set out in the Annual Statement of Priorities 2007/08
    • New money
    • To replace poor quality
    • New services e.g. OLASS
    • To meet gaps

• European funds always OCT
LSC Commissioning

• Greater choice for learner and employer
• Greater diversity of provider base
• More contestable
  – barriers to provider entry removed
• Increased competition
  – To improve quality
• Lessons Learnt
2008/09 LSC Funding

Introduction to LSC funding
LSC Funding – 3 main budgets

- Youth
- Adult Learner Responsive
- Employer Responsive
- Other
  - LLDD
  - OLASS
  - ESF & ESF Community Grants
LSC Funding – Youth

• Entry to employment (E2E)
• Not in Employment, Education or Training (NEET)
• Apprenticeships 16-18
• 16-18 competitions (200 places)
• Gaps
• ESF Priority 1, Priority 2, Priority 4 & 5 (Cornwall only)
LSC Funding – Adult Learner Responsive

- Skills for Life
- Full Level 2 / 3
- Credit trials
- Skills for Jobs
- Gaps – provision, client group, sector
- ESF Priority 1, Priority 2, Priority 4 & 5 (Cornwall only)
LSC Funding – Employer Responsive

• Train to Gain
• Apprenticeships 19+ and 25+
• ESF Priority 1, Priority 2, Priority 4 & 5 (Cornwall only)
Introducing the LSC commissioning strategy ESF funded activities in the 07-13 programme
ESF Programme 07-13

New Language

• Regional Competitiveness and Employment
  – Available across England, (except Convergence area of Cornwall and Isles of Scilly)

• Priority 1 (62%) - Extending employment opportunities for unemployed and inactive people
  Linking with LSC programmes such as Entry to Employment and Foundation Learning Tiers, and Skills for Jobs, including enhancing Skills for Life and specifically targeted activity such as our Offender Learning and Skills Service

• Priority 2 (34%) Developing a skilled and adaptable workforce
  Linking with the Train to Gain programme and Apprenticeships, enhancing basic skills, Level 2, Level 3, and some Level 4+ if appropriate
ESF Programme 07-13
New Language

- Regional Competitiveness and Employment
  - Includes additional funding for Phasing-In areas (Transition from Objective 1)
    - Merseyside and South Yorkshire
    - Same priorities and activities as competitiveness
    - Ring fenced money for specific areas only
ESF Programme 07-13
New Language

• **Convergence** (Cornwall and Isles of Scilly only)
  • Priority 4 (extending employment) – 38%
    Linking with LSC programmes such as Entry to Employment and Foundation Learning Tiers, and Skills for Jobs, including enhancing Skills for Life and specifically targeted activity such as our Offender Learning and Skills Service
  • Priority 5 (workforce skills) – 60%
    Linking with the Train to Gain programme and Apprenticeships, enhancing basic skills, Level 2, Level 3, and some Level 4+ if appropriate
Regional Competitiveness and Employment, and
Convergence
Total ESF 2007-13 at 2007 prices

<table>
<thead>
<tr>
<th>REGIONS</th>
<th>Total ESF €m</th>
<th>Total ESF £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>North West</td>
<td>€ 541</td>
<td>£360</td>
</tr>
<tr>
<td>North East</td>
<td>€ 239</td>
<td>£157</td>
</tr>
<tr>
<td>Yorkshire and Humberside</td>
<td>€ 396</td>
<td>£264</td>
</tr>
<tr>
<td>East of England</td>
<td>€ 230</td>
<td>£152</td>
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<tr>
<td>East Midlands</td>
<td>€ 248</td>
<td>£164</td>
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<tr>
<td>West Midlands</td>
<td>€ 372</td>
<td>£246</td>
</tr>
<tr>
<td>South East</td>
<td>€ 229</td>
<td>£151</td>
</tr>
<tr>
<td>London</td>
<td>€ 491</td>
<td>£324</td>
</tr>
<tr>
<td>South West</td>
<td>€ 341</td>
<td>£229</td>
</tr>
<tr>
<td><strong>Total new programmes</strong></td>
<td><strong>€ 3,087</strong></td>
<td><strong>£ 2,067</strong></td>
</tr>
</tbody>
</table>

Treasury planning Exchange
rate €1.00 = £0.68
Regional Coherence

• National Pre-Qualification Questionnaire (PQQ) exercise - to identify and select potential providers, not provision, at this stage
• In advance of national and regional ESF 07-13 Launch Events
• Detailed Invitations to Tender will be issued in November,
  - after approval of Co-financing Plans and funding for Co-financing Organisations
  - only to successful PQQ organisations
ESF in the Pre-Qualification Questionnaire

Youth
Adult
Employer
Other includes ESF Community Grants (not London)
Co-financing Outcomes

- Qualifications
  - Full NVQ Levels 1-4,
  - Basic Skills
- Job Outcomes
- Positive destinations
- Soft Outcomes/Activities
- IAG, Mentoring, Work Experience, etc.
Concepts

• Learner Pathways
  – from X via provision to Y
• Skills Escalator
  – moving from basic skills to level 4
• Total Alignment with Mainstream
  – Comparable offer / fee remission
• Commissioned approach
  – All funds OCT’d together
• Quality Provision
  – Quality standards aligned
Procurement

Setting the Scene
The Process and Timescales

04
In 2008/09 there will be more funds available to providers

- This covers the mainstream LSC funding and the initial funding opportunity is made available through the ESF 2007-13 programme.

- The changes in Government Demand led Funding will impact on the future of contracting. We are keen to ensure providers are well placed to respond.

- We are starting the process early. New programmes may be developed and made available.
Setting the Scene

As a public body the LSC has to follow the Public Procurement Directives and needs to select the correct criteria to decide which procurement route must be followed in order to ensure that the process is open, fair and transparent.

An e-Tendering solution has been chosen because it is quicker, there is a robust audit trail, it is more environmentally friendly and is more secure.

The route we have selected is the restricted one which allows us to pre-qualify potential providers by asking them to provide generic information which is then evaluated to a pre-determined scoring framework.
In response to provider feedback from the 2007/08 procurement round, the new PQQ has been shortened and simplified.

The PQQ process will be regionally led with on-line support being provided by regional LSC staff.

Submitting a single PQQ will still be enough to allow you to express an interest in delivering nationally.

As this is a new procurement round, organisations need to complete pre-qualification questionnaires as shown in a following slide.
The Process

- Any provider wishing to pre qualify for 2008/09 tenders will need to participate in this process

- As last year it will be a two stage process
  - A simple pre qualification questionnaire
  - Detailed Invitation To Tender

- Timescales for the different activities are published today
New providers or previously unsuccessful in 2007/08 → Pre-qualified from 2007/08

Part 1
Organisational detail
Areas wishing to provide Quality

Part 2
Health and safety, Equality and diversity, Financial information

Declarations
The Process

The new ESF programmes MUST be procured through an open and competitive tendering process.

The new PQQ for 2008/09 has been significantly improved following feedback. It is much shorter and more intuitive.

There is only the need for 1 attachment – financial accounts.

Expressions of interest must be registered by completing a new PQQ. Part 1 is required for all providers (new or existing).
PQQ contents

Part 1
- Organisational information
- Areas and programmes in which your organisation wishes to express an interest
- Quality and accreditation

Part 2
- Health and Safety
- Equality and diversity
- Finance submission
Existing pre-qualified providers

• If your organisation has been successful in the 2007/08 procurement rounds you will be sent an invitation via Bravo to complete the PQQ

• You must complete the **Part 1** Organisational details, Areas you wish to provide and the Quality sectors – you will also be given an opportunity to update the remaining sectors
Existing pre-qualified providers  (2)

• If you do not update, we will ask you to confirm you are happy for the LSC to reuse the information the LSC holds for this PQQ - the decision is yours

• We recommend you take the opportunity to update

• You must publish your response before the closing date.
New Providers & Unsuccessful Providers from the 2007/08 OCT

• There will be 9 PQQ’s (1 per region) You only answer the one for the region where your Head office is based

• You must answer all questions.

• Your completed PQQ has to be published by the closing date - If it isn’t we can’t consider your offer
# Timescales & Actions - PQQ

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>31&lt;sup&gt;st&lt;/sup&gt; August 2007</td>
<td>PQQ Launched via Bravo</td>
<td>Covers all learning provision - ESF, Youth Funding, Adult Responsive and Employer responsive.</td>
</tr>
<tr>
<td>28&lt;sup&gt;th&lt;/sup&gt; September 2007</td>
<td>Completed PQQs submitted to LSC via Bravo (late responses may not be accepted)</td>
<td>If you have difficulties, please use the message facility to obtain clarification from the LSC.</td>
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### Timescales & Actions – ESF - ITT

<table>
<thead>
<tr>
<th>Date</th>
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<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>12&lt;sup&gt;th&lt;/sup&gt; November 2007</td>
<td>ESF Invitations to Tender are issued to successful PQQ applicants</td>
<td></td>
</tr>
<tr>
<td>7&lt;sup&gt;th&lt;/sup&gt; December 2007</td>
<td>ESF Tender responses are submitted to LSC via Bravo</td>
<td>If you have difficulties, please contact the help desks well before the deadline</td>
</tr>
<tr>
<td>11&lt;sup&gt;th&lt;/sup&gt; February 2008</td>
<td>ESF contract clarification Process</td>
<td>The process by which the LSC will clarify with you your contract award.</td>
</tr>
<tr>
<td>18&lt;sup&gt;th&lt;/sup&gt; February 2008</td>
<td>ESF contracts can be live from this date forward</td>
<td></td>
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## Timescales & Actions

### 2008/09 Tendering Round - ITT

<table>
<thead>
<tr>
<th>Date</th>
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</tr>
</thead>
<tbody>
<tr>
<td>January 2008</td>
<td>Second opportunity for providers to complete a PQQ for future tenders</td>
<td>Please submit your response in September 2007 to maximise your opportunities in 2008/09</td>
</tr>
<tr>
<td>Early 2008</td>
<td>Anticipated date for next Invitations to Tender.</td>
<td></td>
</tr>
</tbody>
</table>
Bravo Solution's e-Tendering portal supported by Bravo Solution